



Top and Bottom Counties by Class 8 Market Value (2010)

Top 10 Counties by Class 8 Market Value		
Rank	Name	Taxable Market Value
1	Yellowstone	\$ 1,714,971,592
2	Silver Bow	\$ 426,974,170
3	Richland	\$ 311,238,052
4	Flathead	\$ 303,629,864
5	Gallatin	\$ 300,178,765
6	Missoula	\$ 296,556,608
7	Cascade	\$ 256,472,167
8	Big Horn	\$ 212,297,163
9	Stillwater	\$ 184,443,759
10	Ravalli	\$ 148,185,082
Total		\$ 4,154,947,222

Bottom 10 Counties by Class 8 Market Value		
Rank	Name	Taxable Market Value
47	Garfield	\$ 19,672,982
48	Deer Lodge	\$ 14,894,535
49	Granite	\$ 14,105,225
50	Mineral	\$ 13,523,569
51	Prairie	\$ 12,181,540
52	Wheatland	\$ 12,159,566
53	Meagher	\$ 10,725,193
54	Treasure	\$ 7,932,382
55	Petroleum	\$ 7,142,378
56	Golden Valley	\$ 5,656,300
Total		\$ 117,993,670

Analysis conducted on 3/2011 using 2010 market value.

Property Tax Relief Options Available to Class 8 Property Owners in Current Statute

MCA Title 15. Taxation, Chapter 24. Special Property Tax Applications, Part 14 New Industry

15-24-1402. New or expanding industry -- assessment -- notification. (1) In the first 5 years after a construction permit is issued, qualifying improvements or modernized processes that represent new industry or expansion of an existing industry, as designated in the approving resolution, must be taxed at 50% of their taxable value. Subject to 15-10-420, each year thereafter, the percentage must be increased by equal percentages until the full taxable value is attained in the 10th year. In subsequent years, the property must be taxed at 100% of its taxable value.

15-24-1501. Remodeling, reconstruction, or expansion of buildings or structures -- assessment provisions -- levy limitations. (1) Subject to 15-10-420 and the authority contained in subsection (4) of this section, remodeling, reconstruction, or expansion of existing buildings or structures, which increases their taxable value by at least 2 1/2% as determined by the department, may receive tax benefits during the construction period and for the following 5 years in accordance with subsections (2) through (4) and the following schedule. The percentages must be applied as provided in subsections (3) and (4) and are limited to the increase in taxable value caused by remodeling, reconstruction, or expansion:

Construction period	0%
First year following construction	20%
Second year following construction	40%
Third year following construction	60%
Fourth year following construction	80%
Fifth year following construction	100%
Following years	100%

15-24-1502. Tax exemption and abatement for remodeling, reconstruction, or expansion of certain commercial property -- approval. (1) (a) Subject to the conditions of this section, remodeling, reconstruction, or expansion of an existing commercial building or structure that increases its taxable value by at least 5%, as determined by the department, may receive a property tax exemption during the construction period, not to exceed 12 months, and for up to 5 years following completion of construction. The property tax exemption is limited to 100% of the increase in taxable value caused by remodeling, reconstruction, or expansion.

(b) (i) In addition to the property tax exemption described in subsection (1)(a), the buildings and structures may receive a property tax reduction for 4 years following the exemption period as provided in this subsection (1)(b). The percentages must be applied to the increase in taxable value caused by remodeling, reconstruction, or expansion according to the following schedule:

First year following the exemption period	20%
Second year following the exemption period	40%
Third year following the exemption period	60%
Fourth year following the exemption period	80%
Fifth year following the exemption period	100%
Following years	100%

Comparing SB372 and SB 392 Over Three Years - Taxable Value & Taxes Paid - Businesses with Different Levels of Equipment Value

	Year One				Year Two				Year Three			
	SB 372 (3)	SB 392	(SB 372 - SB 392)		SB 372 (3)	SB 392	(SB 372 - SB 392)		SB 372 (3)	SB 392	(SB 372 - SB 392)	
	Rate	Exempt			Rate	Exempt			Rate	Exempt		
	Threshold	Threshold			Threshold	Threshold			Threshold	Threshold		
	\$2M @ 2%	\$200,000	Difference		\$3M @ 1.5%	\$500,000	Difference		\$3M @ 1.5%	\$1,000,000	Difference	
	then 3%	all else 3%			then 3%	all else 3%			then 3%	all else 3%		
	Taxable Value				Taxable Value				Taxable Value			
	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0	
	2,000	0	2,000		1,500	0	1,500		1,500	0	1,500	
	4,000	0	4,000		3,000	0	3,000		3,000	0	3,000	
	10,000	15,000	(5,000)		7,500	0	7,500		7,500	0	7,500	
	20,000	30,000	(10,000)		15,000	30,000	(15,000)		15,000	0	15,000	
	40,000	60,000	(20,000)		30,000	60,000	(30,000)		30,000	60,000	(30,000)	
	70,000	90,000	(20,000)		45,000	90,000	(45,000)		45,000	90,000	(45,000)	
	100,000	120,000	(20,000)		120,000	120,000	-		120,000	120,000	-	
	130,000	150,000	(20,000)		150,000	150,000	-		150,000	150,000	-	
	Taxes Paid				Taxes Paid				Taxes Paid			
	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0	
	1,000	0	1,000		750	0	750		750	0	750	
	2,000	0	2,000		1,500	0	1,500		1,500	0	1,500	
	5,000	7,500	(2,500)		3,750	0	3,750		3,750	0	3,750	
	10,000	15,000	(5,000)		7,500	15,000	(7,500)		7,500	0	7,500	
	20,000	30,000	(10,000)		15,000	30,000	(15,000)		15,000	30,000	(15,000)	
	35,000	45,000	(10,000)		22,500	45,000	(22,500)		22,500	45,000	(22,500)	
	50,000	60,000	(10,000)		60,000	60,000	-		60,000	60,000	-	
	65,000	75,000	(10,000)		75,000	75,000	-		75,000	75,000	-	

Businesses with different amounts of market value

Same businesses as above

Assumes mills are: 500
2010 average class 8 mills 528.063997